## **CLAIMS**

## WE CLAIM:

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- 1. A method of inducing lysis of proliferating cancer cells comprising contacting said cells with a vaccinia virus having an inactivating mutation in an interferon resistance gene.
  - 2. The method of claim 1, wherein the cancer cells are ras-transformed cells.
- 3. The method of claim 1, wherein the cancer cells are breast cancer cells or prostate cancer cells.
  - 4. The method of claim 1, wherein the inactivating mutation is in a gene selected from the group consisting of E3L, K3L, or a combination thereof.
  - 5. The method of claim 4, wherein the inactivating mutation is selected from the group consisting of a deletion mutation, a substitution mutation, and a missense mutation.
  - 6. The method of claim 4, wherein the inactivating mutation is in the E3L gene.
  - 7. The method of claim 6, wherein the mutation is a deletion of the whole E3L gene.
  - 8. The method of claim 1, wherein the mutant vaccinia virus has a reduced ability to inhibit PKR and increased sensitivity to interferon.
- 9. The method of claim 1, wherein said contacting comprises administering a therapeutic amount of the vaccinia virus to a mammal comprising proliferating cancer cells under conditions that permit contact between the vaccinia virus and the proliferating cancer cells.
- 10. The method of claim 9, wherein the administering is selected from the group consisting of intratumoral injection, intravenous injection, and intravascular injection.

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- 11. A therapeutic composition for use in targeted cell lysis of a proliferating cancer cell comprising a vaccinia virus having an inactivating mutation in an interferon resistance gene and a carrier.
- 12. The therapeutic composition of claim 11, wherein the target cell is a breast cancer cell or prostate cancer cell.

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- 13. The composition of claim 12, wherein the inactivating mutation is in a gene selected from the group consisting of E3L, K3L, or a combination thereof.
- 14. The composition of claim 13, wherein the inactivating mutation is selected from the group consisting of a deletion mutation, a substitution mutation, and a missense mutation.
- 15. The composition of claim 13, wherein the inactivating mutation is in the E3L gene.
- 16. The composition of claim 15, wherein the mutation is a deletion of the whole E3L gene.